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A Work Session Meeting of the Manasquan Mayor and Council was held on April 19, 2010 at 7:00 p.m., in Council Chambers of Borough Hall.

Mayor Dempsey related that this meeting is being held in accordance with the Open Public Meetings Act of 1975 and that notice was given to the Coast Star and the Asbury Park Press on December 22, 2009.

ROLL CALL: Present: Council Members Bossone, Connolly, Donovan, Grasso, Lee, Lucas .

Also present was Borough Attorney James Kinneally, Borough Auditor Allen Shechter and Borough Administrator John Trengrove.

Absent: None.

APPOINTMENT: 7:00 p.m. to 7:47 p.m. Thomas Bauer of Melillo + Bauer Associates presented a detailed PowerPoint presentation of the four plans and alternate plans of Squan Plaza. They along with Birdsall Engineering, were hired by the Borough to do a parking analysis and strategy plan for the redesign of the Plaza which was funded by a N.J. Department of Community Affairs \$60,000 Smart Growth Grant. A disc containing the four designs is on file in the Clerk's office. Also present from Melillo + Bauer was Scott Wainwright and Alan Hilla from Birdsall Engineering. Questions were answered by Mr. Bauer and Mr. Hilla.

Council Member Donovan related that the grant was not for a construction ready plan but for a conceptual design. He stressed that the original grant was to study a structured parking garage. He related that they also took into consideration Park One Strategy. He related that the Shared Parking Concept came from having cars parked conveniently to the businesses in Manasquan so that people could park then walk to the Main Street business area rather than drive to each shopping destination.

Council Member Connolly asked what is the cost estimate.

Mr. Hilla related that the least expensive plan, Option D, was approximately \$1,600,000.00 and the most expensive option is approximately \$2,400,000.00. He related that certain amenities could be removed to reduce the cost and phased in at a later date.

The Governing Body agreed to discuss Item #5 first since it pertains to the budget which is scheduled for introduction at the 8:00 p.m. Regular Meeting.

ITEM #5. Letter from Court Administrator Marie Higgins regarding court staffing.

Mr. Trengrove related that the Court would like to proceed with filling the part-time violations clerk position that was left vacant when Mrs. Kappy retired. He related that Judge Apostolou stated that he would give up a part of his salary towards the replacement.

Mayor Dempsey pointed out that Court Administrator Marie Higgins has indicated that they have not hired part-time summer help in the past few years. He recommended replacing Mrs. Kappy since the Judge graciously donated \$1,500.00 of his salary towards the salary and money will be saved by not hiring part-time summer help.

Mr. Trengrove related that this decision is tied into the budget.

Mayor Dempsey noted that the Borough will either need to hire a part-time year round employee or a summer employee.

Mr. Trengrove asked if the Governing Body wanted Mr. Shechter to explain the bottom line numbers now that the Reserve for Uncollected Taxes is known.

Mr. Shechter related that with the revised figures the tax increase will be 1.42 cents which equates to \$71.00 on a \$500,000 home. He related that is an increase over last year of 4.35 percent on the tax rate. He explained the Reserve for Uncollected Taxes to the Governing Body. He stated that there is a 2.68 percent in actual spending by the Borough.

Mr. Shechter and Council Member Connolly discussed the Reserve for Uncollected Taxes in detail.

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Council Member Connolly related that she thinks there should be a health benefit reduction but that it should be discussed in closed session. She related that she anticipates an additional \$25,000 due to the increase in property values and construction.

Mr. Shechter related that new construction will go into next year's budget but noted that the Borough will have to pay the County this year for the additional assessments.

Council Member Connolly related that she believes that the \$240,000 that was brought in from the beach area parking lots to the beach departments should be shared with the taxpayers to bring down the tax rate.

Mayor Dempsey related that it has already been lowered in the amount of \$24,000 for garage rent and as he has said before a sufficient amount of money is needed to run the beach department. He related that the beach is good because it has the money to run it properly.

Council Member Connolly related that \$65,000 for the purchase of additional equipment was in the beach budget and doesn't necessarily have to be purchased this year.

Mayor Dempsey related that the Borough doesn't necessarily have to take \$24,000 out of the parking lot fees either. He related that the Borough already uses \$550,000 towards the general budget. He noted that this is over 1/3 of the beach budget.

Council Member Connolly related that it is the people's parking lots. She related that to impact the tax rate every single thing should be looked at.

Council Member Connolly related that she would like to reduce the tax rate to at least zero.

Council Member Connolly made a motion to transfer \$25,000 from the Beach Parking Lots into the General Budget, seconded by Council Member Grasso. Motion failed by the following vote: "yes" Council Members Connolly, Grasso. "No" Council Members Bossone, Donovan, Lee, Lucas.

Council Member Connolly related that it is too bad that the people have to keep on paying.

Mr. Trengrove related that if the Governing Body chooses to discuss the reduction in health care benefits that was previously mentioned by Council Member Connolly the affected employees will have to be given a Rice Notice.

Council Member Lee related that the last three years Legal Services Line Item has tracked at \$50,000, however, this year's amount is \$60,000.

Mr. Trengrove related that the increase is to cover contract negotiation costs.

Council Member Lee related that the Borough has saved money in this line item after Mr. Kinneally was appointed. He proposed reducing this line item by \$7,000.

Council Member Lee made a motion to reduce Line Item #0-01-20-155-027 by \$7,000.00, seconded by Council Member Connolly. Motion carried by the following vote: "yes" Council Members Bossone, Connolly. (the vote is continued below)

Council Member Donovan asked the Municipal Administrator if this reduction will leave the Borough exposed. He related that he is concerned that there will not be enough money to pay for the labor counsel.

Mr. Trengrove related that he believes the Borough is exposing itself and noted that the 3 year tracking of the figures was stable without the labor counsel dollar amount factored in. He related that every contract has to be renewed this year and labor counsel will be involved with the negotiations. He related that there is \$25,000 in the Water & Sewer Budget and \$10,000 in the Beach Utility Budget. He related that with the \$7,000 decrease the reduction in legal services between the two budgets there will be a \$8,000 increase over what was spent last year.

The roll call continued: "yes" Grasso, Lee. "No" Council Member Donovan, Lucas.

Council Member Lee pointed out that there is additional Legal Services funding in the other two budgets.

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Council Member Grasso asked why the Governing Body is reviewing the budget now.

Mayor Dempsey related that it is part of the process.

Council Member Grasso related that the Governing Body made reductions during the budget meetings but now they are grandstanding in front of an audience.

Mayor Dempsey related that he disagreed and that the Governing Body reviewed the budget and was satisfied with the reductions. He related that Council Member Grasso voted for budget reductions this evening and that he does not believe it is grandstanding. He related that it is the Governing Body working for a budget that will be approved.

Council Member Grasso related that the many hours that were spent on the budget during the meetings was the time when the reductions should have been made and not in front of an audience. He related that this budget could have been done in a week.

Mayor Dempsey asked Council Member Lee to continue.

Council Member Lee related that he didn't want to interrupt if Council Member Grasso is going to make a proposal to introduce the budget.

Council Member Grasso related that he does not want to introduce the budget as prepared and that there is so much that can be scaled back on. He related that now all of a sudden the Governing Body is making changes in front of an audience.

Mayor Dempsey asked Council Member Grasso why he didn't make changes at the Saturday budget meetings.

Council Member Grasso related that we tried but everyone voted no on everything.

Mayor Dempsey disagreed with Council Member Grasso.

Council Member Lucas related that the people in the audience are citizens of the community and are here to listen. He related that he does not believe anyone is grandstanding.

Council Member Lee asked Mr. Trengrove if the Borough has enough information to be assured that the Medical/Dental/Prescription amount is accurate. He related that he believes it is fairly accurate.

Council Member Grasso asked Mr. CFO (John Trengrove) about what appears to be a 13 percent increase in the insurance costs. He asked what the justification is for the increase.

Mr. Trengrove related that is the amount that the Borough was billed in accordance with the contract.

Council Member Grasso asked if the Borough could do a better job by finding less expensive insurance.

Mr. Trengrove related that the Borough has shopped around and also had it independently looked at and it was found that both the JIF and HIF were a good value for the money. He noted that HIF's increase was less expensive than the State Health Insurance.

Council Member Lee asked if the PERS and PFRS numbers are accurate.

Mr. Trengrove related that they are.

Council Member Lee asked if the Street Lighting costs can be capped. He asked if J.C. P.& L. can alternate usage in sectors to reduce the costs.

Mr. Trengrove related that the Street Lighting Committee could be reinstated to look into this matter. He related that the Borough is looking into joining with other municipalities to aggregate usage and go out to bid. He noted that the Borough will be going out to bid jointly for electric in the near future and has already gone out to bid jointly for gas.

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Mr. Shechter related that due to the \$7,000.00 reduction that was voted on all of the figures will have to be changed; therefore, the budget cannot be introduced this evening. He related that another Temporary Emergency Budget will have to be put in place so that the Borough can spend money. He noted that the Borough will have to send estimated tax bills out then calculate the difference and send another bill after the budget is adopted.

Council Member Lucas asked how much the Borough will save as a result of the \$7,000.00 legal services reduction.

Mr. Shechter related that it will save approximately 1/10th of a cent.

Council Member Connolly asked why there was no reduction in the Tourism Commission budget.

Mayor Dempsey related that it was reduced by \$175.00.

Council Member Bossone related that the reduction was from the current budget.

There was some discussion regarding this matter.

Mayor Dempsey asked if the Governing Body is in favor of introducing the budget this evening. He related that if so, the \$7,000.00 reduction in Legal Services will have to be restored.

The Governing Body agreed to meet in closed session to discuss whether or not they will pursue the proposal by Council Member Connolly to reduce benefits and obtain the Borough Attorney's opinion about whether or not Rice Notices will have to be provided to the affected employees.

Council Member Connolly related that she does not believe that Rice Notices will be needed. She related that she is talking about the Opt Out Benefit that is not subject to collective bargaining.

Mr. Kinneally related that if taking away a benefit that an employee currently has a Rice Notice will be required.

Council Member Connolly related that she is not talking about taking away or eliminating.

Mr. Kinneally related that this conversation should take place in closed session to determine whether or not Rice Notices will have to be issued.

The Borough Attorney presented a resolution authorizing the Governing Body to meet in closed session at 8:19 p.m.

Council Member Lee made a motion to approve the resolution, seconded by Council Member Lucas. Roll Call was taken and the motion was unanimously approved. (See **Closed Session #1** at the end of the meeting minutes)

The work session meeting was reconvened at 8:33 p.m.

Council Member Connolly made a motion to provide Rice Notices to employees who are affected, seconded by Council Member Grasso. Motion failed by the following vote: "yes" Council Member Connolly, Grasso. "No" Bossone, Donovan, Lee, Lucas.

Council Member Connolly thanked those members of the Governing Body that voted no for not saving the taxpayers money.

Council Member Lucas stated that if the Opt Out Benefit is reduced or eliminated the employee would have the option to opt back in and take health insurance coverage and it would cost the tax payers more money.

Mr. Trengove agreed and stated that the Opt Out Benefit is an incentive for employees not to take a contractual benefit that they are eligible for. He related that if it is reduced to a point where the employee does not feel it is in their best interest to take it they could opt back in.

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Council Member Lucas pointed out that the benefit has already been reduced by the State from a 50 percent payout to a 25 percent payout not to exceed \$5,000.00.

Mr. Trengrove noted that the coverage cost approximately \$25,000.00.

Council Member Lucas noted that if one or two employees opted back in the Borough would not have any savings.

Mayor Dempsey asked Council Member Lee if he would consider withdrawing his request to reduce the Legal Services line item by \$7,000.00 so that the Budget could be introduced this evening.

Council Member Lee related that now would be the time to make any suggestions for reductions. He related that in the absence of any suggestions it would make sense to withdraw his suggestion to reduce the Legal Services line item by \$7,000.00.

Council Member Grasso related that he believe the Borough could wait to purchase the \$22,000.00 jeep.

Mayor Dempsey related that item is in the Water & Sewer Utility Budget and that it doesn't affect the tax rate but will affect the water rate which has been passed and approved.

Council Member Lee made a motion to restore the \$7,000.00 reduction in the Legal Services line item that was previously approved, seconded by Council Member Donovan. Motion approve by the following vote: "yes" Council Member Bossone, Donovan, Lee, Lucas. "No" Council Member Connolly, Grasso.

Council Member Donovan made a motion to adjourn the work session meeting to the regular meeting at 8:38 p.m., seconded by Council Member Lee. Motion carried unanimously.

The work session meeting was reconvened at 9:33 p.m.

Mr. Trengrove related that the Governing Body did not come to a conclusion regarding the part-time court employee.

Council Member Lee related that the funding is in the budget.

Council Member Connolly asked why there is any discussion about it since the funding is in the budget.

Mr. Trengrove asked if the court can proceed with the hiring of the part-time court employee.

No roll call vote was taken.

Mr. Trengrove informed Judge Apostolou, who was present in the audience, that he would give him something in writing authorizing the hiring of the part-time court employee.

ITEM #1. Deed Restriction - Squan Beach Lifesaving Station Grant.

Mr. Trengrove related that this matter was previously discussed at the regular meeting this evening.

ITEM #2. Provident Bank Zoning Permit Application – Sign on Route 71.

Mayor Dempsey asked why this matter is being presented to the Governing Body instead of the Planning Board.

The Municipal Clerk related that the zoning officer asked her to present this matter to the Governing Body.

The Borough Attorney related that he will have to review the lease to determine if it is allowed under the terms of the lease.

Mayor Dempsey recalled that the Governing Body already denied a similar request.

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Mr. Trengrove related that the Borough did not want them to block the Borough's sign.

He related that they have moved the location.

Council Member Lucas made a motion to approve the request, seconded by Council Member Connolly. Roll Call was taken and the motion was unanimously approved.

ITEM #3. Review of Past Practice regarding expenditures.

Mr. Trengrove related that there was a question on a bill regarding providing stuff for volunteers. He related that it has been done in the past and that there are plans to do it again. Mr. Trengrove related that the DPW is planning on providing juice boxes and cupcakes to the cub scouts when they come to the water plant. He related that before the expenditure is made he wants to be assured that the past practice isn't going to change.

Council Member Connolly asked what is the past practice.

Mr. Trengrove related that volunteers have been given water and snacks and the Borough spent \$33.00 on items for volunteers at a recent event. He related that the DPW will be spending about \$25,000. He related that the Police buy pizzas for children as a part of the DARE Graduation Program. He related that this has been done in the past.

Council Member Connolly asked if a limit could be put on it since it is taxpayer's money.

Council Member Donovan related that the Borough is getting a huge return for a few dollars.

Mr. Trengrove related that the pizza and T-Shirts that are purchased for the DARE program are the most expensive.

Council Member Bossone related that if the Borough had to pay the 135 volunteers that came out several weeks ago it would have cost the Borough a heck of a lot more than the \$30 dollars in water and snacks. He related that it is a good thing.

Council Member Donovan related that it is making it convenient for the volunteers.

Council Member Connolly related that she doesn't go out and volunteer just to get a juice box but that she volunteers because she wants to do the work.

There was continued discussion regarding this matter.

Mr. Trengrove related that he just wants to be sure it isn't going to be a problem.

Council Member Connolly related that she does not want to see the prices go up to a couple of hundred dollars.

Mr. Trengrove related that the pizza and T-Shirts for the DARE program will be a couple of hundred dollars.

Council Member Bossone made a motion to allow the past practice to continue, seconded by Council Member Donovan. Roll call was taken and the motion was unanimously approved.

ITEM #4. DPW Permission to begin Weed/Debris Removal at 6:00 a.m. in Certain Area.

Council Member Bossone made a motion to approve the event, seconded by Council Member Donovan. Roll call was taken and the motion was unanimously approved.

ITEM #6. Request for Temporary Boat Parking on Borough Property – Jay McConville.

Council Member Bossone made a motion to approve Mr. McConville's with a stipulation that a \$100.00 fee be paid, seconded by Council Member Lee. Roll call was taken and the motion was unanimously approved.

ITEM #7. Use of Borough Property Requests:

- Manasquan Hook & Ladder Coin Toss – Various Dates

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- Msqn Recreation Commission Surf Lessons – Various Dates
- Manasquan VFW – Memorial Day Parade – May 31, 2010
- Burke/Romano Inlet Beach Wedding – August 22, 2010

Council Member Donovan made a motion to approve the requests, seconded by Council Member Bossone. Motion carried unanimously.

It was agreed that only 6 to 10 chairs will be allowed at the Burke/Romano Inlet Beach wedding.

The closed session meeting was reconvened at 9:45 p.m. (**see closed session #2 following closed session #1 below**)

The closed session meeting minutes, clerks signature and approval date are attached.